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What is claimed is:

1. A method for conducting a financial batch auction after a first period and before a second period, comprising the steps of:

- receiving orders from one or more qualified participants, said orders representing a desire to execute a trade regarding a security;
- concurrently with receiving said orders, transmitting information regarding said orders to said qualified participants;
 - terminating the receiving of orders;
- 11 discovering an optimal price at which a maximum
 12 number of shares will be executed;
- executing a trade of said maximum number of shares at said optimal price; and
- allocating said executed maximum number of shares fairly among orders that qualify according to a predetermined allocation procedure.
- The method for conducting a financial batch
 auction according to claim 1, wherein said orders
 include parameters describing a trade side, a security
- identifier, and a quantity of shares.
- 1 3. The method for conducting a financial batch
- auction according to claim 1, wherein said α rders have
- order types selected from the group consisting of
- 4 unpriced orders, priced orders, and cross orders.
- 1 4. The method for conducting a financial batch
- 2 auction according to claim 1, wherein the batch auction
- is conducted concurrently with a continuous trading
- 4 financial market.

- 1 \checkmark 5\ The method for conducting a financial batch
- auction according to claim 4, wherein one of said first
- 3 period or said second period comprises a stoppage of
- 4 trading on said continuous trading market.
- 1 6. The mathod for conducting a financial batch
- auction according to claim 1, wherein said information
- 3 transmitted to\said qualified recipients comprises an
- 4 indicated price and a net order imbalance.
- 1 7. The method for conducting a financial batch
- auction according to claim 1, further comprising the
- 3 step of:
- receiving requests to cancel orders and
- 5 receiving requests to modify orders concurrently with
- 6 said receiving of said orders.
- 1 8. The method for conducting a financial batch
- auction according to claim 7, wherein said receiving of
- 3 requests to cancel orders is terminated a predetermined
- 4 time before terminating the receipt or orders, and said
- 5 receiving of orders and said receiving of requests to
- 6 modify orders are accepted subject to pre-determined
- 7 conditions.
- 1 9. The method for conducting a financial batch
- auction according to claim 1, wherein during said
- allocating step, said executed maximum number of shares
- 4 is distributed pro-rata among orders that quality.
- 1 10. A method of performing a batch auction of a
- 2 security, comprising the steps of:
- compiling an order book, wherein said compiling
- 4 comprises receiving order information from qualified

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- participants, and entering orders into the order book and modifying or canceling orders within the order book based upon said order information;
 - discovering an optimal price, wherein said discovering step comprises identifying one or more prices at which the batch auction would produce a maximum number of executed shares, and selecting one of said one or more prices as an optimal price; and
- 9 executing the batch auction at the optimal price,
 10 wherein said executing step comprises crossing orders
 11 within the order book at the optimal price, and
 12 allocating the executed shares pro-rata among orders
 13 having price requirements consistent with said optimal
 14 price.
- 1 11. The method of performing a batch auction of a 2 security according to claim 10, wherein said order 3 information comprises parameters describing a trade 4 side, a security identifier, and a quantity of shares.
- 1 12. The method of performing a batch auction of a 2 security according to claim 10, wherein said orders 3 have order types selected from the group consisting of 4 unpriced orders, priced orders, and cross orders.
- 1 13. The method of performing a batch auction of a 2 security according to claim 10, wherein the batch 3 auction is conducted concurrently with a continuous 4 trading financial market.
- 1 14. The method of performing a batch auction of a 2 security according to claim 13, wherein the batch 3 auction is performed at the open or close of said 4 continuous trading market.

- 1 15\) The method of performing a batch auction of a
- 2 security according to claim 10, wherein said optimal
- 3 price\ is selected based upon a relative supply and a
- 4 demand\dictated by said order book.
- 1 16. The method of performing a batch auction of a
- 2 security according to claim 15, wherein said selecting
- 3 step further\comprises comparing said relative supply
- 4 and demand to a standard.
- 1 17. The method of performing a batch auction of a
- 2 security according \to claim 10, wherein during
- 3 compiling said order book information comprising an
- 4 indicated price and a \net order imbalance is
- 5 disseminated to qualified recipients.
- 1 18. The method of performing a batch auction of a
- security according to claim \10, wherein said canceling
- of and modifying of orders within the order book is
- 4 restricted a predetermined time before said price
- 5 discovering step begins.
- 1 19. The method of performing a batch auction of a
- security according to claim 10, wherein a designated
- 3 intermediary is permitted to view said\order book and
- 4 to cover orders for unexecuted shares at said optimal
- 5 price.
- 1 20. A computerized system for performing a batch
- 2 auction of a security, comprising:
- 3 a computerized network having one or more
- 4 computers in electronic communication with each other;

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- an order receiving program running on one or more of said computers, wherein said receiving program is designed to receive a plurality of messages containing orders from one or more qualified participants, and to accept those orders that meet certain predetermined criteria;
 - an order book database located on one or more of said computers, wherein said order book database communicates with said order receiving program and stores each of said accepted orders received by said receiving program;
 - a price discovery program running on one or more of said computers, wherein said price discovery program refers to said order book database and calculates an optimal price upon which to transact a maximum number of shares of the security during the batch auction;
 - a batch auction execution program running on one or more of said computers, wherein said execution program executes the batch auction of said maximum number of shares of the security at a given execution time, and allocates said maximum number of shares of the security among said accepted orders according to a predetermined criterion; and
 - a notification program running on one or more of said computers, wherein said notification program publishes a predetermined selection of data from said order book database, and wherein said notification program notifies said qualified participants of results of said auction execution program.
- 1 21. The computerized system for performing a batch
- 2 auction of a security according to claim 20, wherein
- 3 said predetermined selection of data published by said

- price notification program comprises an indicated price and net order imbalance.
- 1 22. The computerized system for performing a batch
- auction of a security according to claim 20, wherein
- 3 said messages can contain order types selected from the
- 4 group consisting of unpriced orders, priced orders, and
- 5 cross orders.
- 1 23. The computerized system for performing a batch
- auction of a security according to claim 20, further
- 3 comprising an electronic connection for forwarding
- 4 unexecuted orders to outside markets.
- 1 24. The computerized system for performing a batch
- auction of a security according to claim 20, further
- 3 comprising communication connections whereby said
- 4 qualified participants may remotely submit said
- 5 messages to said order receiving program
- 6 electronically.
- 1 25. The computerized system for performing a batch
- auction of a security according to claim 24, wherein
- 3 said qualified participants receive said results of the
- 4 batch auction electronically from said notification
- 5 program.
- 1 26. The computerized system for performing a batch
- auction of a security according to claim 20, wherein
- 3 said predetermined criteria vary within a time interval
- 4 preceding said execution time.
- 1 27. The computerized system for performing a batch
- auction of a security according to claim 20, wherein

- sald execution time comprises either at an opening or a closing of a continuous trading financial market.
- 1 28. The computerized system for performing a batch
- auction of a security according to claim 20, wherein
- 3 said execution program allocates said maximum number of
- 4 shares pro-kata among said accepted orders.
- 1 29. The computerized system for performing a batch
- auction of a security according to claim 20, further
- 3 comprising an interface for a designated intermediary
- 4 to view said order book database while said order
- 5 receiving program is\communicating with said order book
- 6 database.
- 1 30. A method for conducting a security batch auction
- cycle, said auction cycle having an order acceptance
- period, a price discovery period, and an order
- 4 execution period, said method\comprising the steps of:
- 5 during a first of two stages \of said order acceptance
- 6 period:
- 7 accepting requests to enter auction orders into an
- 8 order book, to modify auction orders within the order
- 9 book, and to cancel auction orders within the order
- 10 book during a first stage of said order acceptance
- 11 period; and
- 12 selecting data from said order book, and
- publishing said selected data to one or more qualified
- 14 recipients;
- during the second stage of said order acdeptance
- 16 period:
- 17 accepting late requests to enter auction orders
- into the order book if said late requests to enter meet
- 19 a first set of criteria;

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- accepting late requests to modify orders within the order book if said late requests to modify meet a second set of criteria; and
 - publishing said selected data within said order book to said qualified recipients;
- during said price discovery period:
 - identifying one or more prices at which the batch auction cycle would produce a maximum number of executed shares, and selecting one of said one or more prices as an optimal price; and
- 11 during said order execution period:
- executing a trade of said maximum number of shares at said optimal price; and
- allocating said executed maximum number of shares
 among the orders according to a predetermined
 criterion.
- 31. A method of performing an intermediated batch auction of a security, comprising the steps of:
 - receiving a plurality of orders from one or more qualified participants, each of said orders identifying a desire to trade shares of the security;
 - providing information to an intermediary regarding said plurality of orders, and accepting orders from said intermediary identifying a desire to trade an excess number of shares;
 - discovering an optimal price at which a maximum number of said shares identified by said plurality of orders will be executed;
- executing a trade of said maximum number of shares and said excess number of shares at said optimal price; and

- allocating said executed maximum number of shares
- and said excess number of shares fairly among orders
- from said qualified participants and said intermediary. 3